

GUIDANCE ON APPLICATION AND LICENSING FEES

APRIL 2022

JAMES PEPPER, CHAIR JULIE HULBURD, COMMISSIONER KYLE HARRIS, COMMISSIONER

BRYNN HARE, EXECUTIVE DIRECTOR

Table of Contents

Introduction	2
Fees by License Type and Tier	2
Cultivation	2
Tiers and Associated Fees	2
Manufacturers	3
Tiers and Associated Fees	3
Retailers	3
Associated Fee	3
Wholesalers	4
Associated Fee	4
Testing Laboratories	4
Associated Fee	4
Integrated License	4
Associated Fee	4
Application & "Intent to Apply" Fees	4
Other Fees	4
Cannabis Establishment I dentification Cards	4
Local Licensing Fees	4
Product Licensing	5
Information for Social Equity Applicants	5
Fee Payment Instructions	5
Pre-Qualification	5
Full Application	6
Requesting a Refund	6

Introduction

This document is intended to serve as guidance for cannabis establishment and cannabis license applicants seeking more information on licensing and application fees, including the license type and/or tier for which an applicant may apply for depending on the type of cannabis establishment and its size.

Licensing fees are not paid until the application license is approved by the Board. An application is not considered complete until the application fee has been received by the CCB.

Fees by License Type and Tier

Licensing fees are paid on an annual basis.

Cultivation

Cultivation licensees may grow cannabis plants, either outdoors, outdoors, or in a mixed setting. This license type is tiered based on the size of the applicants proposed growing operation.

Tiers and Associated Fees

Outdoor Cultivation				
Tier#	Brief Description	Associated Fee		
1	Up to 1,000 square feet of plant canopy or 125 plants	\$750		
2	Up to 2,500 square feet of plant canopy or 312 plants	\$1,875		
3	Up to 5,000 square feet of plant canopy or 625 plants	\$4,000		
4	Up to 10,000 square feet of canopy or 1,250 plants	\$8,000		
5	Up to 20,000 square feet of canopy or 2,500 plants	\$18,000		
6	Up to 37,500 square feet of canopy or 4,687 plants	\$34,000		

Outdoor cultivation applicants are required to specify if they will use plant count or square footage to calculate their tier at the time of application.

Indoor Cultivation				
Tier#	Brief Description	Associated Fee		
1	Up to 1,000 square feet of plant canopy	\$1,500		
2	Up to 2,500 square feet of plant canopy	\$3,750		
3	Up to 5,000 square feet of plant canopy	\$8,000		
4	Up to 10,000 square feet of canopy	\$16,000		
5	Up to 15,000 square feet of canopy	\$36,000		
6	Up to 25,000 square feet of canopy	\$75,000		

Indoor cultivation applicants must apply using square footage of plant canopy to calculate their tier, as using plant counts are not permitted.

Mixed Cultivation				
Tier#	Brief Description	Associated Fee		
1	Up to 1,000 square feet of indoor plant canopy & up to 125	\$2,250		
	outdoor plants			
2	Up to 2,500 square feet of indoor plant canopy & up to 312	\$5,625		
	outdoor plants			
3	3 Up to 1,000 square feet of indoor plant canopy & up to 625			
	outdoor plants			
4	Up to 1,000 square feet of indoor plant canopy & up to 1,250	\$9,500		
	outdoor plants			
5	Up to 1,000 square feet of indoor plant canopy & up to 2,500	\$19,500		
	outdoor plants			

Manufacturers

Manufacturer licensees may produce cannabis products from cannabis plants, including edibles, oils, and other such products. This license type is tiered based on allowable extraction type and gross revenue per year.

Tiers and Associated Fees

Tier#	Brief Description	Associated
		Fee
1	\$10,000 cap on gross revenue per year. May manufacture products using water-based, food-based (cooking fats, glycerin, propylene glycol, or alcohol), or heat/pressure-based extraction. Must be a home-occupancy business.	\$750
2	No cap on annual gross revenue. May manufacture products using the same extraction methods as a Tier 1 manufacturer	\$2,500
3	No cap on annual gross revenue. May manufacture products using the same extraction methods as a Tier 1 manufacturer, as well as solvent-based extraction (butane or hexane extraction is prohibited).	\$15,000

Retailers

Retailer licensees may sell cannabis and cannabis products to the general public. Only a licensed retail establishment, or an integrated licensee, may sell cannabis or cannabis products to the general public.

Associated Fee

\$10,000

Wholesalers

Wholesaler licensees may purchase cannabis and cannabis products from other licensees and sell them to licensees, however, they are *not* permitted to sell to the public.

Associated Fee

\$4,000

Testing Laboratories

Testing Laboratory licensees may test cannabis and cannabis products obtained from a licensed cannabis establishment, dispensary, or a member of the public.

Associated Fee

\$1,500

Integrated License

Integrated licensees may engage in the activities of each of the license types listed above. These licenses are *only* available to applicants that hold a dispensary registration on April 1, 2022.

Associated Fee

\$100,000

Application & "Intent to Apply" Fees

In addition to the above annual licensing fees, applicants must pay a **one-time \$1,000 application fee.**

Applicants may opt to go through the pre-qualification or "intent to apply" process. There is a **\$500 non-refundable fee associated with pre-qualification**. This fee may count towards the \$1,000 application fee if the applicant seeks full licensure within one year.

Other Fees

Cannabis Establishment Identification Cards

ID Cards, issued by the Board, are required for everyone working at a licensed cannabis establishment. Owners and principals are issued ID cards as a part of the application and licensing process. Employees must be issued an ID card separately from the licensure process.

Annual fee for Cannabis Establishment ID Card: **\$50 per card,** paid by either the employee or cannabis establishment.

Local Licensing Fees

\$100, paid to the Board and distributed to the municipality where the cannabis establishment is licensed.

Product Licensing

\$50 per type of cannabis and cannabis product sold by retailers and integrated licensees. This fee is paid once annually for a product.

Information for Social Equity Applicants

All licensing and application fees are waived for the first year that a social equity applicant is licensed.

In subsequent years, licensing fees are reduced by this schedule:

- Year 2: Licensee pays 25% of fee
- Year 3: Licensee pays 50% of fee
- Year 4: Licensee pays 75% of fee
- Year 5: Licensee pays full fee

Please note: Social Equity applicants of all forms must pay the full \$500 "intent to apply" fee should they choose to seek pre-qualification. If they choose to seek pre-qualification, their \$500 fee will count as a credit towards future licensing fees in their second year and beyond, if relevant.

Fee Payment Instructions

Pre-Qualification

The CCB accepts credit cards, electronic checks, paper checks, money orders, and cash. Payments are non-refundable. If you are not pre-qualified by the CCB, the fee for your pre-qualification application will not be refunded to you.

To make an electronic payment for **PRE-QUALIFICATION ONLY**, you may do so by using the following link: https://appengine.egov.com/apps/vt/ccb/onlinepayment

Checks and money orders should be made out to the Cannabis Control Board. You *must* include the cannabis establishment name that you submitted with your application in the memo line as well as the words "Pre-qualification Application" or "PQ App." Please mail your checks and money orders to the following address:

Cannabis Control Board

Attn: Accounting

89 Main Street

Montpelier, VT 05620

If you wish to pay in cash, you are required to schedule a time to meet with staff to complete the transaction. To schedule with us, please email CCB.fees@vermont.gov or CCB.Info@vermont.gov.

Full Application

The CCB accepts credit cards, electronic checks, paper checks, money orders, and cash. If you are not approved for licensure by the CCB, the fee for your full application will not be refunded to you.

To make an electronic payment for the **FULL APPLICATION ONLY**, you may do so by using the following link: https://appengine.egov.com/apps/vt/ccb/applicationpayment

Both checks and money orders should be made out to the Cannabis Control Board. You *must* include the application submission number in the memo line as well as the words "Full Application" or "Full App". Please mail your checks and money orders to the following address:

Cannabis Control Board

Attn: Accounting

89 Main Street

Montpelier, VT 50620

If you wish to pay in cash, you are required to schedule a time to meet with staff to complete the transaction. To schedule with us, please email CCB.Info@vermont.gov or CCB.Info@vermont.gov.

Applicants applying under the Social Equity should not send payments for the full application as directed in previous section.

Requesting a Refund

The CCB may issue refunds for full application fees or licensing fees only. An applicant may request a refund within 24 hours after the payment has been submitted as we are unable to issue refunds of any form beyond this timeframe. Partial refunds and refunds for the prequalification application fee will not be issued. Please note that refunds for online fee payments will be subject to a 3% processing fee.

The CCB will not issue refunds in cash.

To request a refund, please contact us as soon as possible at <u>CCB.fees@vermont.gov</u> with the subject line "Refund Request". We ask that you provide your full name, the name of the cannabis establishment, the transaction date, and the method of payment. Please note that we

may request additional information depending on the form of tender in which the payment was made. This may include the check number, the serial number from a money order, or the reference or confirmation sequence generated by the online payment portal. Proof of identification will be required to verify the validity of the request and to prevent the risk of fraud.